



May 9, 2025

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832 Georgia Avenue
Suite 1200
Chattanooga, TN 37402

Ref: BWS Properties, LLC v. Airgas USA, LLC

Jessica,

Thank you for requesting our services to review the condition of and budgets and costs associated with necessary repairs for BWS Properties, LLC's facility located at 700 Manufacturers Road, Chattanooga, TN 37405. The walk through at this property took place on 4/15/25 at 1:30 p.m.

We have reviewed the following documents related to this property:

- Industrial Building Lease dated 6/1/22
- Aerial Photo of 700 Manufacturers Road
- Removal Filings
- Defendant Airgas USA, LLC's Answer to Complaint
- Plaintiff's Answers to Defendant's First Interrogatories (Redacted)
- Defendant Airgas USA, LLC's Responses to the First Interrogatories Propounded by Plaintiff BWS Properties, LLC (Redacted)
- Plaintiff's Supplemental Answers to Defendant's First Interrogatories (Redacted)
- Crexi For Lease Report last updated 8/16/24
- Various photos numbered BWS-00089 to BWS-000123, BWS-000617 to BWS-000619, BWS-000621, AIRGAS USA 000212 to AIRGAS USA 000228, and AIRGAS USA 000644 to AIRGAS USA 000660
- Access Garage Doors Invoice \$237.50 dated 6/2/23
- T.U. Parks Preliminary Budget Breakdown \$534,584.36 Dated 6/15/23 & 6/16/23
- Various documents produced by T.U. Parks in support of the Budget Breakdown
- Scenic Breezeway Invoice \$5,575.00 dated 7/3/23
- A. Barnes Fence Invoice \$650.00 dated 11/7/23
- Oasis Heating & Air Invoice \$926.00 dated 7/29/24



Based on the information noted above and site walk through, as well as information from T.U. Parks, I concluded that the following costs associated with the necessary repairs are accurate, fair, and reasonable based on the known scopes of work:

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| ➤ Landlord funded repair expenses paid to date: | \$7,388.50 |
| ➤ T.U. Parks Preliminary Budget of necessary repairs: | \$534,584.36 |

Note: General Cost of Commercial Construction Cost Increases from June 2023 to May 2025 per CONSTRUCTIONDIVE.com reporting average annualized increases of 9.7%.

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| ➤ 19.4% Annualized increase of Budget: | \$103,709.36 |
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Scope items not included in the T.U. Parks Preliminary Budget that also need repairs:

- | | |
|--|-------------|
| • Metal Building Insulation Repairs Building 1 & 2 | \$8,107.50 |
| • Drywall Wall & Ceiling Repairs Building 1 & 2 | \$13,617.82 |
| • Concrete Sidewalk & Ramp Replacement Building 4 | \$4,878.11 |
| • Concrete Slab Replacement Front of Building 4 | \$44,322.00 |
| • Gutters, Down Spouts, Metal Siding Front Corner Bldg 4 | \$5,879.43 |

Total Cost to Repair:	\$722,487.08
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In summary, this property was not preserved, maintained, or repaired in good working order. Some examples of neglect include: windows broken out, pots under leaking pipes, paint stored in showers, roof leaks, destroyed areas of concrete & asphalt paving, man doors that appear to have been beaten with sledge hammers, overhead doors that appear to have been hit by forklifts or trucks, piles of trash, numerous areas of drywall damage from what appeared to be built-in millwork removal and abuse (some areas look like they have been shot with a shotgun), acoustical ceilings falling out for various reasons, flooring that has been destroyed, open and dangerous electrical junction boxes, wires hanging out of the ceilings, lights missing parts. This list could go on.



If new information is presented, I reserve the right to update this report.

Have a great day!

A handwritten signature in blue ink, appearing to read 'Nic R. Cornelison', is written over a light blue circular background.

Nic R. Cornelison